MONTANA LEGISLATIVE HISTORY

Chapter 306 1979

Bill H 846 S _____ Original bill & history ✓ C

H. Committee on State Admin

Hearing Date(s) _____ ___C

_____ ___C

2/20 ✓C

_____ ___C

Date Out 2/20 ✓C

S. Committee on Bus & Industry

Hearing Date(s) _____ ___C

3/5 ✓C

_____ ___C

_____ ___C

out 3/6 ✓

BEST COPY AVAILABLE

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

CHAPTER NO. 306

HOUSE BILL NO. 846

INTRODUCED BY WALDRON, TROPILA, SIVERTSEN, PORTER, FAGG, DUSSAULT, FEDA, UHDE

IN THE HOUSE

February 16, 1979	Introduced and referred to Committee on State Administration.
February 21, 1979	Committee recommend bill do pass. Report adopted.
February 23, 1979	Second reading, do pass as amended.
	Considered correctly engrossed.
	Third reading, passed. Transmitted to second house.

IN THE SENATE

February 23, 1979	Introduced and referred to Committee on Business and Industry.
March 6, 1979	Committee recommend bill be concurred in as amended. Report adopted.
March 8, 1979	Second reading, concurred in as amended.
March 12, 1979	Third reading, concurred in as amended.

IN THE HOUSE

March 13, 1979	Returned from second house. Concurred in as amended.
March 14, 1979	Second reading, amendments adopted.
March 15, 1979	Third reading, amendments adopted. Sent to enrolling.
	Report correctly enrolled.

LC 1604/01

House BILL NO. 846

INTRODUCED BY Waldron Crippa Smurtan Foster Fagg Simonson Feda Ulde

A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE LAWS RELATING TO REAL ESTATE BROKERS AND SALESMEN AND TO RECONSTITUTE THE MEMBERSHIP OF THE BOARD OF REAL ESTATE; AMENDING SECTIONS 2-15-1642, 37-51-102, 37-51-205, 37-51-302, 37-51-305, AND 37-51-308 THROUGH 37-51-311, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 2-15-1642, MCA, is amended to read:

"2-15-1642. Board of real estate. (1) There is a board of real estate.

(2) The board consists of five members. The members are appointed by the governor. The members shall be:

(a) residents of this state. ~~At least two~~ Four members ~~shall~~ must be active and licensed real estate brokers or salesmen and have been actively engaged in the real estate business as a broker or salesman in this state for not less than 5 continuous years before appointment. One member shall be a representative of the public who is not a state government officer or employee and who is not engaged in business as a real estate broker or salesman.

(b) appointed so not more than three members and not more than two board licensees are from the same congressional district. If a member takes up residence in a district different from the one in which he resided at the time of appointment, he vacates his membership on the board.

(c) appointed, in the event of a vacancy, by appointing a resident from the same district as the member whose office has been vacated.

(3) Not more than three members, including the chairman, shall be from the same political party.

(4) The members shall serve for a term of 4 years. A member may not serve more than two terms or any portion thereof.

(5) The board is allocated to the department for administrative purposes only as prescribed in 2-15-121."

NEW SECTION. Section 2. Board to be reconstituted -- staggered terms -- transition. (1) The terms of all of the members of the existing board of real estate terminate July 1, 1979.

(2) On [the effective date of this act] the board shall be reconstituted. The new members shall be appointed by the governor as provided in 2-15-1642, except that to insure staggered terms:

(a) the public member shall be appointed to a 4-year term;

(b) one real estate member shall be appointed to a 4-year term;

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INTRODUCED BILL

(c) one real estate member shall be appointed to a 3-year term;

(d) one real estate member shall be appointed to a 2-year term;

(e) one real estate member shall be appointed to a 1-year term.

(2) Thereafter, all members shall be appointed to a full 5-year term as provided in 2-15-1642.

Section 3. Section 37-51-102, MCA, is amended to read:

"37-51-102. Definitions. Unless the context requires otherwise, in this chapter the following definitions apply:

(1) "Board" means the board of real estate provided for in 2-15-1642.

(2) "Broker" includes an individual who for another or for a fee, commission, or other valuable consideration or who with the intent or expectation of receiving the same negotiates or attempts to negotiate the listing, sale, purchase, rental, exchange, or lease of real estate or of the improvements thereon or collects rents or attempts to collect rents or advertises or holds himself out as engaged in any of the foregoing activities. The term "broker" also includes an individual employed by or on behalf of the owner or lessor of real estate to conduct the sale, leasing, subleasing, or other disposition thereof at a salary or for a fee, commission, or any other consideration. The term

"broker" also includes an individual who engages in the business of charging an advance fee or contracting for collection of a fee in connection with a contract by which he undertakes primarily to promote the sale, lease, or other disposition of real estate in this state through its listing in a publication issued primarily for this purpose or for referral of information concerning real estate to brokers, or both, and any person who aids, attempts, or offers to aid, for a fee, any person in locating or obtaining any real estate for purchase or lease.

(3) "Broker associate" means a broker who associates with a broker owner and does not own an interest in a real estate firm.

(4) "Broker owner" means a broker who owns or has a financial interest in a real estate firm.

~~(3)~~(5) "Department" means the department of professional and occupational licensing provided for in Title 2, chapter 15, part 16.

~~(4)~~(6) "Person" includes individuals, partnerships, associations, and corporations, foreign and domestic, except that when referring to a person licensed under this chapter, it means an individual.

~~(5)~~(7) "Real estate" includes leaseholds as well as any other interest or estate in land, whether corporeal, incorporeal, freehold, or nonfreehold and whether the real

estate is situated in this state or elsewhere.

~~(6)~~(8) "Salesman" includes an individual who for a salary, commission, or compensation of any kind is ~~employed~~ associated, either directly, indirectly, regularly, or occasionally, by with a real estate broker to sell, purchase, or negotiate for the sale, purchase, exchange, or renting of real estate."

Section 4. Section 37-51-205, MCA, is amended to read:

"37-51-205. Compensation of members -- expenses -- limitation. (1) Each member of the board shall receive as compensation for each one-half day or portion thereof actually spent on his official duties ~~the sum of $7.50~~ a salary commensurate to that of the daily rate of a grade 7, step 3, classified state employee and travel expenses, as provided for in 2-18-501 through 2-18-503, connected with the performance of other duties provided for by the board.

(2) No A member of the board may be reimbursed from the board's earmarked revenue fund for travel outside the state on business of the board."

Section 5. Section 37-51-302, MCA, is amended to read:

"37-51-302. Broker or salesman license -- qualifications of applicant. (1) Licenses may be granted only to individuals considered by the board to be of good repute and competent to transact the business of a broker or salesman in a manner as to safeguard the interests of the

public.

(2) An applicant for a broker's license shall:

(a) be a citizen of the United States;

(b) be at least 18 years of age;

(c) have graduated from an accredited high school or completed an equivalent education as determined by the board;

(d) have been actively engaged as a licensed real estate salesman for a period of 2 years or have had experience or special education equivalent to that which a licensed real estate salesman ordinarily would receive during this 2-year period as determined by the board, except that if the board finds that an applicant could not obtain employment as a licensed real estate salesman because of conditions existing in the area where he resides, the board may waive this experience requirement; and

(e) file an application for license with the department.

(3) The board shall require information it considers necessary from an applicant to determine his honesty, trustworthiness, and competency.

(4) (a) An applicant for a salesman's license shall:

(i) be at least 18 years of age;

(ii) have received credit for completion of 2 years of full curriculum study at an accredited high school or

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completed an equivalent education as determined by the board; and

(iii) file an application for license with the department.

(b) His application shall be accompanied by the recommendation of the licensed broker by whom the applicant will be employed or placed under contract, certifying that the applicant is of good repute and that the broker will actively supervise and train the applicant during the period the requested license remains in effect.

(5) The department shall issue to each licensed broker and to each licensed salesman a license and a pocket card in a form and size as the board prescribes.

(6) A broker's license must indicate whether the broker is a broker owner or a broker associate."

Section 6. Section 37-51-305, MCA, is amended to read:

"37-51-305. License -- form -- delivery -- display -- pocket card. (1) The board shall prescribe the form of license. A license shall bear the seal of the board.

(2) The license of a real estate salesman shall be delivered or mailed to the real estate broker ~~by~~ with whom the real estate salesman is ~~employed~~ associated and shall be kept in the custody and control of the broker.

(3) A broker shall display his own license conspicuously in his place of business.

(4) The department shall annually prepare and deliver a pocket card certifying that the person whose name appears is a registered real estate broker or a registered real estate salesman, stating the period for which fees have been paid and, on real estate salesman's cards only, the name and address of the broker ~~employing the real estate salesman~~ with whom he is associated."

Section 7. Section 37-51-308, MCA, is amended to read:

"37-51-308. Broker's office -- notice to department of change of address. (1) A resident licensed broker shall maintain a fixed office in this state. The original license of the broker and the original license of each salesman ~~in the employ of~~ associated or under contract with the broker shall be prominently displayed in the office. The address of the office and a branch office shall be designated on the broker's license.

(2) In case of removal from the designated address, the licensee shall notify the department before removal or within 10 days thereafter, designating the new location of this office and paying the required fee, whereupon a license for the new location for the unexpired period shall be issued."

Section 8. Section 37-51-309, MCA, is amended to read:

"37-51-309. ~~Employment of salesmen by broker~~ Broker owner -- broker associate -- salesman -- notice to

department of change of ~~employment~~ association. (1) A salesman may not be ~~employed by~~ associated with or under contract to more than one licensed broker owner, nor may he perform services for a broker other than the one designated on the license issued to the salesman.

(2) When a licensed salesman desires to change his ~~employment~~ association or contractual relationship from one licensed broker to another, he shall notify the department promptly in writing of these facts, pay the required fee, and return his license and pocket card, and a new license and pocket card shall be issued. No salesman shall directly or indirectly work for or with a broker owner until he has been issued a license to work for or with that broker owner. On termination of a salesman's ~~employment~~ association or contractual relationship, he shall surrender his license and pocket card to his broker owner who shall return them to the department for cancellation.

(3) Only one license shall be issued to a salesman to be in effect at one time.

(4) A broker associate may not be associated with more than one broker owner."

Section 9. Section 37-51-310, MCA, is amended to read:

"37-51-310. Annual renewal. Annual fees are due and payable for the ensuing year during or before the month of December of each year. Failure to remit annual fees before

January 1 automatically cancels the license, but otherwise the license remains in effect continuously from the date of issuance unless suspended or revoked by the board for just cause."

Section 10. Section 37-51-311, MCA, is amended to read:

"37-51-311. Fees -- deposit of fees. (1) The following fees shall be charged by the department and paid into the earmarked revenue fund for the use of the board, subject to 37-1-101(6):

(a) for each examination, a fee not to exceed ~~$25~~ $150;

(b) for each original resident broker's license issued, a fee not to exceed ~~$50~~ $150;

(c) for each annual renewal of a resident broker's license, a fee not to exceed ~~$30~~ $150;

(d) for each original nonresident broker's license issued, a fee not to exceed ~~$50~~ $150;

(e) for each annual renewal of a nonresident broker's license, a fee not to exceed ~~$30~~ $150;

(f) for each original salesman's license issued, a fee not to exceed ~~$25~~ $150;

(g) for each annual renewal of a salesman's license, a fee not to exceed ~~$15~~ $150;

(h) for each additional office or place of business,

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an annual fee not to exceed ~~$25~~ $150;

(i) for each change of place of business or change of employer or contractual associate, a fee not to exceed ~~$15~~ $50;

(j) for each duplicate license, where the original license is lost or destroyed and affidavit is made, a fee not to exceed ~~$10~~ $50;

(k) for each duplicate pocket card, where the original pocket card is lost or destroyed and affidavit is made, a fee not to exceed ~~$10~~ $50.

(2) The board may charge a $5 annual fee from a licensee who wishes to be placed in an inactive status. A licensee who is placed in an inactive status by the board and who has paid the required fee need not file a bond with the department as provided in 37-51-304.

~~(2)~~(3) The board shall adopt a schedule of fees within the limits set by this section. However, a fee once set for one of the items for which a fee is charged cannot be increased or decreased until at least 1 year has passed since the fee for that particular item was last increased or decreased."

-End-

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LARRY NACHTSHEIM-Administrator, PERS -- We can do the study as part of our 1980 valuation.

TOM SCHNEIDER-Exec. Dir. MPFA -- The wardens support this but the patrol is opposed. The major consideration to come out of the study is that the Highway Patrol doesn't have Social Security and the Wardens do, so the combination would be difficult. The employees are never deeply involved in the study and then when it comes up the employees all get upset. So, I think the people affected should work with them.

ELLIS-I will push for employee participation because both parties have to agree on this.

HB 846-Sponsored by Rep. Waldron -- This does have some similarities to 606 and I would like to include the amendments to 606 but it does some things that 606 doesn't. It will be amended to concur.

CLIFF CHRISTIAN-Montana Asso. of Realtors -- The amendments are already drawn for this. We feel this bill addresses things that 606 doesn't.

WALDRON-Sivertsen and I did make a serious effort to put these two together.

HB 853-Sponsored by Rep. Azzara -- I have passed out another bill that shows how we hope to amend it on the floor (see Attachment #3). The bill initially included all of the statewide elected officials. In the amended version, several offices are amended out. Some of the objections raised before were that public financing is not really feasible in terms of the objective hope to achieve and this bill provides a formula for limiting the spending. Candidates for these offices who receive more than 5% of the primary vote would receive a percentage of the money in the check-off. Both candidates for Governor would be able to raise three times the amount of public money, so it allows for private contributions. He went on to explain the formula in the amended bill. No one is forced to participate in this, but once they accept the money they are bound by the conditions. When I first became aware of public financing I thought it was a move by government to control elections but it became clear that the opposite is guaranteed. Public financing doesn't preclude that honest candidates can raise money on their own, but it also allows for other people to participate. It establishes a ceiling as well, and I think that was on the objections raised last time. We are attempting to prevent money from buying elections.

PHIL TAWNEY-Exec. Secretary, Democratic Party -- An interim committee was mandated to study the campaign fund program and the committee came up with three recommendations -- to abolish the fund, give money to gubernatorial and judicial candidates, or to give the money to all legislative races. In the end we decided that the amended bill before you was the best way. People running for Supreme Court have a hard time getting money and we felt there was a real need for something like this. 19% of Montanans used the check-off the first year and 25% the second time. In the last governor's race Woodahl got more money from the fund than he raised. So, it offers everybody a good chance.

JOHN HANSON-Commissioner of Campaign Finances & Practices -- I support this to the extent that public campaign financing limits expenditures. In '75, the legislature did establish expenditure limitations for candidates running for office, however,

The DO PASS motion failed 15 - 4. JOHNSTON moved to reverse the vote and also moved DO NOT PASS - the committee accepted both motions.

HB 846-AZZARA moved DO NOT PASS.

JOHNSTON made a substitute motion of DO PASS, and Azzara withdrew his motion. The DO PASS motion carried with Sales, Mejone, Smith, O'Connell, Brand, Azzara and Kropp voting NO.

HB 853-AZZARA moved DO PASS - I would appreciate a Do Pass so we could get it to the floor. The motion carried on a roll call 10 - 9.

HB 884-JOHNSTON moved DO PASS, which carried 14 - 5.

HB 421-BRAND-The sponsor has requested that we SIT ON IT, do I hear a motion. Smith so moved and the motion carried unanimously.

HB 56-KNOPP moved DO NOT PASS, which carried on a roll call vote 14 - 5.

Adjourned: 10:45 p.m.

Joe Brand, Chairman

Rita Sierke, Secretary

DISPOSITION OF HOUSE BILL 802: Senator Lowe moved that House Bill 802 be concurred in. Senator Dover seconded the motion. The Committee voted unanimously that HOUSE BILL 802 BE CONCURRED IN.

Senator Lowe will carry the bill on the floor.

HOUSE BILL 846: Representative Steve Waldron, sponsor of HB 846, explained the bill to the Committee. This bill is an act to generally revise the laws relating to real estate brokers and salesmen.

PROPONENTS OF HOUSE BILL 846: Mr. Cliff Christian, representing the Montana Association of Realtors, stated they support HB 846.

There were no other proponents or opponents to HB 846 at the hearing.

Representative Waldron made closing remarks in support of HB 846, and Chairman Hazelbaker then closed the hearing on House Bill 846.

HOUSE BILL 881: Representative Chris Stobie explained the bill to the Committee for Representative Quilici, sponsor of HB 881, who was uanble to be present at the hearing. This bill is an act to re-establish the Board of County Printing.

PROPONENTS OF HOUSE BILL 881: Mr. Hal Stearns, representing the Montana Press Association, stated they support House Bill 881. Mr. Stearns distributed a statement to the Committee which is attached to the minutes.

Mr. Mike Meloy, representing the Montana Press Association, stated they support HB 881. Mr. Meloy stated that without HB 881, there is no method of determining what the cost of printing should be.

OPPONENTS OF HOUSE BILL 881: Vicki Johnson, Columbus, Montana, representing the Stillwater and Columbus News, stated they are in opposition to HB 881 because they see no need for the bill.

There was a question and answer period from the Committee.

Representative Stobie made closing remarks. He feels they would have a bad situation without the State Printing Board, and urged passage of HB 881.

Chairman Hazelbaker closed the hearing on House Bill 881.

ROLL CALL

BUSINESS & INDUSTRY COMMITTEE

46TH LEGISLATIVE SESSION - - 1979 Date March 5

NAME	PRESENT	ABSENT	EXCUSED
Pat Goodover, Vice Chairman	✓		
Chet Blaylock	✓		
Harold Dover	✓		
Tom Hager	✓		
Allen Kolstad	✓		
Bill Lowe	✓		
John Mehrens	✓		
Bob Peterson	✓		
Pat Regan	✓		
Frank Hazelbaker, Chairman	✓		

There was a question and answer period from the Committee.

Representative Quilici stated the reason for this resolution is to have some of the questions and answers regarding branch banking answered by the next legislative session.

Senator Regan stated that she would like to wait another day before taking executive action on HJR 49. The Committee agreed to this.

DISPOSITION OF HOUSE BILL 817: Senator Peterson made a motion that HB 817 Do Pass. Senator Dover seconded the motion. A Roll Call Vote was taken on the motion. THE COMMITTEE VOTED THAT HOUSE BILL 817 BE CONCURRED IN. The vote passed 6-2.

DISPOSITION OF HOUSE BILL 609: Senator Kolstad made the motion that House Bill 609 Do Pass. Senator Dover seconded the motion. A Roll Call Vote was taken on the motion that HB 609 Do Pass. THE COMMITTEE VOTED 5-4 THAT HOUSE BILL 609 BE CONCURRED IN.

Senator Kolstad will carry House Bill 609 on the floor.

DISPOSITION OF HOUSE JOINT RESOLUTION 21: Senator Hager proposed some amendments which Staff Attorney Bob Pyfer will perfect. The Committee voted unanimously to adopt the proposed amendments to HJR 21.

Senator Hager moved that HJR 21 Be Concurred In as so amended. THE COMMITTEE VOTED UNANIMOUSLY THAT HJR 21 BE CONCURRED IN AS SO AMENDED.
Senator Hager will carry House Joint Resolution on the floor.

DISPOSITION OF HOUSE BILL 846: Attorney Bob Pyfer explained proposed amendments for HB 846 to the Committee.

Senator Regan made the motion that the proposed amendments to HB 846 be adopted. Senator Dover seconded the motion. The amendments were unanimously adopted by the Committee.

Senator Regan moved that HB 846 Be Concurred In as so amended. Senator Dover seconded the motion. The Committee voted unanimously that HOUSE BILL 846 BE CONCURRED IN AS SO AMENDED.

Senator Regan will carry House Bill 846 on the floor.

ADJOURN: There being no further business, the meeting was adjourned at 11:10 a.m.

Senator Frank Hazelbaker, Chairman

ROLL CALL

BUSINESS & INDUSTRY COMMITTEE

46TH LEGISLATIVE SESSION - - 1979 Date March 6

NAME	PRESENT	ABSENT	EXCUSED
Pat Goodover, Vice Chairman	✓		
Chet Blaylock	✓		
Harold Dover	✓		
Tom Hager	✓		
Allen Kolstad	✓		
Bill Lowe			✓
John Mehrens	✓		
Bob Peterson	✓		
Pat Regan	✓		
Frank Hazelbaker, Chairman	✓		

STANDING COMMITTEE REPORT

March 6 19 79

MR. President:

We, your committee on BUSINESS & INDUSTRY

having had under consideration HOUSE Bill No. 246

Waldron (Regan)

Respectfully report as follows: That HOUSE Bill No. 246

corrected third reading bill, be amended as follows:

1. Page 11, lines 11 through 15.
Following: "$50."
Strike: the remainder of line 11 and lines 12 through 15 in their entirety
Insert: "The following fees shall be charged by the department and paid into the earmarked revenue fund for the use of the board, subject to 37-1-101(6):
(a) for each examination, a fee not to exceed $25;
(b) for each original resident broker's license issued, a fee not to exceed $50;
(c) for each annual renewal of a resident broker's license, a fee not to exceed $30;
(d) for each original nonresident broker's license issued, a fee not to exceed $50;
(e) for each annual renewal of a nonresident broker's license, a fee not to exceed $30;
(f) for each original salesman's license issued, a fee not to exceed $25;
AND BY

(CONTINUED)

Chairman.

STATE PUB. CO.
Helena, Mont.

HOUSE BILL NO. 846

INTRODUCED BY WALDRON, TROPILA, SIVERTSEN, PORTER, FAGG, DUSSAULT, FEDA, UHDE

A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE THE LAWS RELATING TO REAL ESTATE BROKERS AND SALESMEN ~~AND TO REORGANIZE THE MEMBERSHIP OF THE BOARD OF REAL ESTATE~~; AMENDING SECTIONS ~~2-15-1642~~, 37-51-102, ~~37-51-205~~, 37-51-302, 37-51-305, AND 37-51-308~~,~~ ~~THROUGH~~ 37-51-309, AND 37-51-311, MCA."

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~~(a)~~ residents of this state. ~~At least two~~ Four members shall must be active and licensed real estate brokers or salesmen and have been actively engaged in the real estate business as a broker or salesman in this state for not less than 5 continuous years before appointment. One member shall be a representative of the public who is not a state government officer or employee and who is not engaged in business as a real estate broker or salesman.

~~(b) appointed so not more than three members and not more than two board licensees are from the same congressional district. If a member takes up residence in a district different from the one in which he resided at the time of appointment, he vacates his membership on the board.~~

~~(c) appointed, in the event of a vacancy, by appointing a resident from the same district as the member whose office has been vacated.~~

~~(3) Not more than three members, including the chairman, shall be from the same political party.~~

~~(4) The members shall serve for a term of 4 years. A member may not serve more than two terms or any portion thereof.~~

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NEW SECTION. Section 2. Board to be reconstituted -- staggered terms -- transition. ~~(1) The terms of all of the members of the existing board of real estate terminate July 1, 1979.~~

~~(2) On [the effective date of this act] the board shall be reconstituted. The new members shall be appointed by the governor as provided in 2-15-1642, except that to insure staggered terms:~~

~~(a) the public member shall be appointed to a 4-year term;~~

REFERENCE BILL

~~(b)--one-real-estate-member-shall--be--appointed--to--a 4-year-term~~

~~(c)--one--real--estate--member--shall-be-appointed-to-a 3-year-term~~

~~(d)--one-real-estate-member-shall--be--appointed--to--a 2-year-term~~

~~(e)--one--real--estate--member--shall-be-appointed-to-a 1-year-term.~~

~~(2)--Thereafter,-all-members-shall-be--appointed--to--a full-5-year-term-as-provided-in-2-15-1642.~~

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"37-51-102. Definitions. Unless the context requires otherwise, in this chapter the following definitions apply:

(1) "Board" means the board of real estate provided for in 2-15-1642.

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subleasing, or other disposition thereof at a salary or for a fee, commission, or any other consideration. The term "broker" also includes an individual who engages in the business of charging an advance fee or contracting for collection of a fee in connection with a contract by which he undertakes primarily to promote the sale, lease, or other disposition of real estate in this state through its listing in a publication issued primarily for this purpose or for referral of information concerning real estate to brokers, or both, and any person who aids, attempts, or offers to aid, for a fee, any person in locating or obtaining any real estate for purchase or lease.

(3) "Broker associate" means a broker who associates with a broker owner and does not own an interest in a real estate firm.

(4) "Broker owner" means a broker who owns or has a financial interest in a real estate firm.

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any other interest or estate in land, whether corporeal, incorporeal, freehold, or nonfreehold and whether the real estate is situated in this state or elsewhere.

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~~(2) No a member of the board may be reimbursed from the board's earmarked revenue fund for travel outside the state on business of the board."~~

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(b) be at least 18 years of age;

(c) have graduated from an accredited high school or completed an equivalent education as determined by the board;

(d) have been actively engaged as a licensed real estate salesman for a period of 2 years or have had experience or special education equivalent to that which a licensed real estate salesman ordinarily would receive during this 2-year period as determined by the board, except that if the board finds that an applicant could not obtain employment as a licensed real estate salesman because of conditions existing in the area where he resides, the board may waive this experience requirement; and

(e) file an application for license with the department.

(3) The board shall require information it considers necessary from an applicant to determine his honesty, trustworthiness, and competency.

(4) (a) An applicant for a salesman's license shall:

(i) be at least 18 years of age;

(ii) have received credit for completion of 2 years of full curriculum study at an accredited high school or completed an equivalent education as determined by the board; and

(iii) file an application for license with the department.

(b) His application shall be accompanied by the recommendation of the licensed broker by whom the applicant will be employed or placed under contract, certifying that the applicant is of good repute and that the broker will actively supervise and train the applicant during the period the requested license remains in effect.

(5) The department shall issue to each licensed broker and to each licensed salesman a license and a pocket card in a form and size as the board prescribes.

(6) A broker's license must indicate whether the broker is a broker owner or a broker associate."

Section 3. Section 37-51-305, MCA, is amended to read:

"37-51-305. License -- form -- delivery -- display -- pocket card. (1) The board shall prescribe the form of license. A license shall bear the seal of the board.

(2) The license of a real estate salesman shall be delivered or mailed to the real estate broker ~~by~~ with whom the real estate salesman is employed associated and shall be kept in the custody and control of the broker.

(3) A broker shall display his own license conspicuously in his place of business.

(4) The department shall annually prepare and deliver a pocket card certifying that the person whose name appears is a registered real estate broker or a registered real estate salesman, stating the period for which fees have been paid and, on real estate salesman's cards only, the name and address of the broker employing ~~the real estate salesman~~ with whom he is associated."

Section 4. Section 37-51-308, MCA, is amended to read:

"37-51-308. Broker's office -- notice to department of change of address. (1) A resident licensed broker shall maintain a fixed office in this state. The original license of the broker and the original license of each salesman ~~in the employ of~~ associated or under contract with the broker shall be prominently displayed in the office. The address of the office and a branch office shall be designated on the broker's license.

(2) In case of removal from the designated address, the licensee shall notify the department before removal or within 10 days thereafter, designating the new location of this office and paying the required fee, whereupon a license for the new location for the unexpired period shall be issued."

Section 5. Section 37-51-309, MCA, is amended to read:

"37-51-309. ~~Employment-of-salesman--by--broker~~ Broker owner ~~--~~ broker associate ~~--~~ salesman -- notice to department of change of ~~employment~~ association. (1) A salesman may not be ~~employed-by~~ associated with or under contract to more than one licensed broker owner, nor may he perform services for a broker other than the one designated on the license issued to the salesman.

(2) When a licensed salesman desires to change his ~~employment~~ association or contractual relationship from one licensed broker to another, he shall notify the department promptly in writing of these facts, pay the required fee, and return his license and pocket card, and a new license and pocket card shall be issued. No salesman shall directly or indirectly work for or with a broker owner until he has been issued a license to work for or with that broker owner. On termination of a salesman's ~~employment~~ association or contractual relationship, he shall surrender his license and pocket card to his broker owner who shall return them to the department for cancellation.

(3) Only one license shall be issued to a salesman to be in effect at one time.

~~(4) A broker associate may not be associated with more than one broker owner.~~"

~~Section 9. Section 37-51-310, MCA, is amended to read:~~

~~"37-51-310. Annual renewals -- Annual fees are due and payable for the ensuing year during or before the month of December of each year. Failure to remit annual fees before January 1 automatically cancels the license, but otherwise the license remains in effect continuously from the date of issuance unless suspended or revoked by the board for just cause.~~"

Section 6. Section 37-51-311, MCA, is amended to read:

"37-51-311. Fees -- deposit of fees. ~~(1) The following fees shall be charged by the department and paid into the earmarked revenue fund for the use of the board, subject to 37-1-101(6):~~

~~(a) for each examination, a fee not to exceed $25 $150~~

~~(b) for each original resident broker's license issued, a fee not to exceed $50 $150~~

~~(c) for each annual renewal of a resident broker's license, a fee not to exceed $30 $150~~

~~(d) for each original nonresident broker's license issued, a fee not to exceed $50 $150~~

~~(e) for each annual renewal of a nonresident broker's license, a fee not to exceed $30 $150~~

~~(f) for each original salesman's license issued, a fee not to exceed $25 $150~~

~~(g) for each annual renewal of a salesman's license, a fee not to exceed $15 $150~~

~~(h)--for-each-additional-office-or-place--of--business-an-annual-fee-not-to-exceed-$25-$150~~

~~(i)--for--each-change-of-place-of-business-or-change-of-employer-or-contractual-associatev-a-fee-not-to--exceed--$15-$50~~

~~(j)--for--each--duplicate--licensev--where-the-original-license-is-lost-or-destroyed-and-affidavit-is--madev--a--fee-not-to-exceed-$10-$50~~

~~(k)--for-each-duplicate-pocket-cardv-where-the-original-pocket--card--is--lost-or-destroyed-and-affidavit-is-madev-a-fee-not-to-exceed-$10-$50.~~ ~~THE-BOARD-SHALL-ADOPT-A--SCHEDULE-OF--FEES-TO-BE-CHARGED-BY-THE-DEPARTMENT-AND-TO-BE-PAID-INTO-THE-EARMARKED-REVENUE-FUND-FOR-THE-USE--OF--THE--BOARD.--THE-FEES-CHARGED-MUST-BE-REASONABLY-RELATED-TO-THE-COST-INCURRED-IN--REGULATING--THE-REAL-ESTATE-INDUSTRY.~~ THE FOLLOWING FEES SHALL BE CHARGED BY THE DEPARTMENT AND PAID INTO THE EARMARKED REVENUE FUND FOR THE USE OF THE BOARD, SUBJECT TO 37-1-101(6):

(A) FOR EACH EXAMINATION, A FEE NOT TO EXCEED $25;

(B) FOR EACH ORIGINAL RESIDENT BROKER'S LICENSE ISSUED, A FEE NOT TO EXCEED $50;

(C) FOR EACH ANNUAL RENEWAL OF A RESIDENT BROKER'S LICENSE, A FEE NOT TO EXCEED $30;

(D) FOR EACH ORIGINAL NONRESIDENT BROKER'S LICENSE ISSUED, A FEE NOT TO EXCEED $50;

(E) FOR EACH ANNUAL RENEWAL OF A NONRESIDENT BROKER'S LICENSE, A FEE NOT TO EXCEED $30;

(F) FOR EACH ORIGINAL SALESMAN'S LICENSE ISSUED, A FEE NOT TO EXCEED $25;

(G) FOR EACH ANNUAL RENEWAL OF A SALESMAN'S LICENSE, A FEE NOT TO EXCEED $15;

(H) FOR EACH ADDITIONAL OFFICE OR PLACE OF BUSINESS, AN ANNUAL FEE NOT TO EXCEED $25;

(I) FOR EACH CHANGE OF PLACE OF BUSINESS OR CHANGE OF EMPLOYER OR CONTRACTUAL ASSOCIATE, A FEE NOT TO EXCEED $15;

(J) FOR EACH DUPLICATE LICENSE, WHEN THE ORIGINAL LICENSE IS LOST OR DESTROYED AND AFFIDAVIT IS MADE, A FEE NOT TO EXCEED $10;

(K) FOR EACH DUPLICATE POCKET CARD, WHEN THE ORIGINAL POCKET CARD IS LOST OR DESTROYED AND AFFIDAVIT IS MADE, A FEE NOT TO EXCEED $10.

(2) The board **may** SHALL charge a $5 annual fee from a licensee who wishes to be placed in an inactive status. A licensee who is placed in an inactive status by the board and who has paid the required fee need not file a bond with the department as provided in 37-51-304.

~~(2)~~(3) The board shall adopt a schedule of fees within the limits set by this section. However, a fee once set for one of the items for which a fee is charged cannot be increased or decreased until at least 1 year has passed

since the fee for that particular item was last increased or decreased."

-End-